



University of Central Florida Board of Trustees Policy

Title: Board Policy for University Operating, Carryforward, and Capital Outlay Budgets

Date of Adoption: June 18, 2020

POLICY STATEMENT

This Board policy serves to articulate Board expectations for Board members and staff with regard to the University's operating, carryforward, and capital outlay budgets. In the event of a conflict between any Board policy and state law or Board of Governors regulations, the law or regulations shall take precedence.

The University's operating, carryforward, and capital outlay budgets will be prepared in accordance with instructions, guidelines, and standard formats provided by the Board of Governors. The budgets must be submitted to the Board of Trustees and the Board of Governors for approval.

The University President or his designee will be responsible for the implementation of this Board policy.

PROCEDURES

University staff will provide all materials and information necessary for the Board to exercise its fiduciary responsibilities and make informed decisions as to University operating, carryforward, and capital outlay budgets.

University staff will develop budgets using legislative appropriations and tuition authority for Educational and General (E&G) funding. All other budgets will be compiled considering recommendations from university budget committees established by the University President, and a review of expected revenue, expenditures, and fund balances for each area, along with a comparison to projected and actual amounts from the prior fiscal year. The university is required, subject to certain exceptions, to maintain an unencumbered balance in the E&G fund of at least 7 percent of the approved operating budget.

University staff will provide two annual budget and financial workshops for the Board, typically in May and November. During these workshops, staff will present the total sources and planned uses of University funding.



Annual operating budgets and capital outlay budget requests will be presented to the Board of Trustees for approval, then to the Board of Governors for approval in June. Board of Governors' staff will review the plans to ensure they are in alignment with the strategic plans of the University.

Annual carryforward budgets and capital outlay budgets will be presented to the Board of Trustees for approval in September, then to the Board of Governors for approval by October 1.

As provided in the University of Central Florida Board of Trustees Delegation of Authority to the President, the University President has authority to amend approved budgets; however, Board approval is required for operating and capital outlay budget amendments for any line item of \$2 million or greater that exceeds 10 percent of the value of such line item.

University staff will present quarterly budget to actual reports for the university's and direct support organizations' operating budgets, in a format approved by the Board. University staff will present a mid-year budget to actual update for the capital outlay budget, in a format approved by the Board. Capital outlay spending is also required to be reported annually at the end of the fiscal year in a format specified by the Board of Governors.

INITIATING AUTHORITY

UCF Board of Trustees

History: New 6-18-20.

Authority: BOG Regulations 9.007 State University Operating Budgets, 9.013 Auxiliary Operations, 14.003 Fixed Capital Outlay Budget Requests, 14.006 Building Program and Fixed Capital Outlay Legislative Budget Request Procedures; Chapter 216, Florida Statutes, Planning and Budgeting; 1004.28 Florida Statutes, Direct Support Organizations